

## **Summary of Ripley County 2018 Annual Adjustment Methodology**

### **Method**

The sales comparison method using local market data was used to adjust the assessments in Ripley County for 2018. The annually adjusted values used in the study were developed based on updated Cost Tables, Local Cost Multipliers, physical depreciation and any changes in parcel characteristics discovered during the 2018 Cyclical Reassessment Phase IV review and new construction field activities. The sales used for the 2018 annual adjustments analysis were from January 1, 2017 to December 31, 2017.

The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Ripley County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been developed or applied to any property class.

For each of the study groups with less than 20 sales samples the Spearman Rank test was performed and resulted in no indication of vertical inequity.

### **Industrial Improved Properties:**

The sales horizon was expanded to include sales from January 1, 2015 to December 31, 2017. There were no valid industrial sales during this period.

### **Commercial Properties:**

There were 6 valid improved commercial sales countywide.

### **Commercial and Industrial Land:**

The sales horizon was expanded to include sales from January 1, 2015 to December 31, 2017. There was 1 valid commercial land sale which was added to the 6 improved sales for analysis. There were no valid industrial land sales during this period.

### **Residential Properties:**

**VACANT:** With only 1 valid vacant residential sale, there were an insufficient number of sales to allow for a credible analysis.

**IMPROVED:** Due to the limited number of valid sales in some townships for this property class, it was necessary to group similar townships other than Adams, Johnson and Laughery in order to enhance the statistical reliability of the study. These groupings conform to reasonable mass appraisal judgement, adhere to general criteria for market stratification such as physical and economic similarities and are consistent with previous year's analysis.

Brown, Shelby, Otter Creek, Delaware and Washington are primarily rural. Jackson, Center and Franklin are rural but share a general similarity in topography and market demand.